

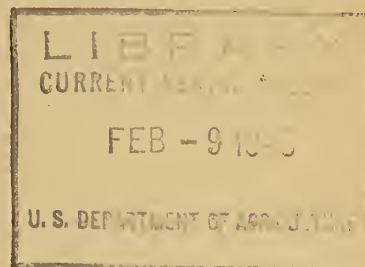
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WAR FOOD ADMINISTRATION
Office of Distribution
Washington 25, D. C.

October 16, 1944



To: State Nutrition Committee Chairman

From: M. L. Wilson, Chief
W. H. Sebrell, Associate Chief
Nutrition Programs Branch

Subject: Fourth Quarterly Meeting to Consider the Food Situation

The fourth quarterly meeting was held October 2 to discuss the over-all food situation for October through December. Those attending included representatives of the Federal agencies cooperating in the National Nutrition Program. As you know, the purpose of these quarterly meetings is to furnish an opportunity for the agencies represented on the Inter-departmental Nutrition Coordinating Committee, and particularly those who have field representatives, to become acquainted with the over-all food outlook so that information can be uniformly available.

Attached is a copy of the proceedings of this conference, including statements made by those invited to discuss the food situation. We believe this information will be of interest to the nutrition committee chairman, in connection with the developments during the last quarter of 1944.

Attachment

DRAFT

WAR FOOD ADMINISTRATION
Office of Distribution
Washington 25, D. C.

October 1944

PROCEEDINGS OF THE QUARTERLY MEETING CALLED BY THE NUTRITION PROGRAMS
BRANCH TO CONSIDER THE FOOD SITUATION AND ITS RELATION TO NUTRITION
PROGRAMS IN STATE, COUNTY, AND LOCAL AREAS, FOR THE FOURTH QUARTER OF
1944, AT WASHINGTON, D. C., OCTOBER 2

M. L. WILSON (Chairman): First we wish to apologize for the change in our conference room, but I suppose we get used to expecting changes when we are at war.

The reports we have been receiving for September, Nutrition Month, indicate that progress has been good. I am going to begin by asking Mr. William C. Ockey, Chief, Civilian Food Requirements Branch, to give us a summary of the food situation for the fourth quarter of 1944.

MR. OCKEY; The total civilian food supplies to be available during the next 3 months is expected to be about as favorable as during the same period a year earlier. Anticipated reductions in some of the foods for which demand has been high during wartime will be offset by ample supplies of most staple foods. I shall attempt to summarize the food situation as we now see it and give reports for principal crops with a look into 1945.

Meats

The amount of meat available for civilian use in the October-December quarter of 1944 is expected to be less in total quantity and for each kind of meat than was available in the July-September quarter of this year and, also, materially less than the abnormally large amount consumed in the last quarter of 1943. In terms of percentages, beef will show the largest decrease from the preceding quarter and pork will show the largest decrease from consumption in the October-December quarter a year ago. Because of much smaller production, civilians will receive only approximately two-thirds as much pork as a year ago. The total of all meats available in the October-December quarter of this year, however, is expected to be large enough to permit per capita consumption at the rate of approximately 129 pounds per year. This is larger than the average per capita consumption in 1935-39. Although the total amount of beef is down slightly, the quality will be better. The past 3 months showed heavy supplies of utility beef on the market.

Although it seems fairly clear that meats will not be available in the abnormally large quantities civilians consumed a year ago, there is no reason to expect that the supply will not be sufficient to meet minimum nutritional needs.

Poultry

Chickens: The number of chickens raised this year is approximately 20 percent less than last year. The number of chickens on farms January 1, 1945, will

be about 9 percent less than last year. Cold storage holdings are high and may be available to offset part of the reduced marketings. However, they will not be sufficient to provide as large a supply for civilians the last quarter of 1944 as the high supply consumed during the same quarter in 1943. Should holdings remain high on January 1 they might offset the reduction in marketings and provide as large or larger supply for the first quarter of 1945 than for the first quarter of 1944.

TURKEYS: The production of turkeys in 1944 is now estimated to be about 8.2 percent above that of 1943. Military requirements are higher in 1944 than they were in 1943, so the supply available for civilians in the fourth quarter of 1944 is only slightly larger than in 1943. In other words, it will be about as hard to get turkeys this year as last, even with the slight increase in production since more people have money to spend on turkeys this year.

FISH: Supplies of fresh and frozen fish in the next 3 months will be more plentiful than in the corresponding period in 1943-44. With the success of our anti-submarine warfare and the release of fishing boats by the Navy, fishing operations have increased and supplies of fresh and frozen fish may be close to pre-war levels in the next 2 quarters. Supplies of frozen fish are especially plentiful. During the first 8 months of 1944, cold storage holdings were 44 percent higher than during the corresponding period in 1943. Because of the tight cold storage situation a substantial part of this supply must be moved into consumptive channels in the immediate future. The fish industry has requested the War Food Administration to put on special merchandising campaigns to get frozen fish out of storage. This has been tried out in Pittsburgh with success and representatives of the fishing industry have asked for similar drives in St. Louis, Chicago, and other cities.

Supplies of canned fish available for civilians in the last quarter of the year will be approximately 15 percent below supplies available in the last quarter of 1943. Supplies of salmon will be exceptionally scarce, since U. S. military requirements will absorb a substantial part of the 1944 pack. Supplies of sardines will be somewhat larger than last year. As the result of a substantial increase in the tuna pack, as compared with last year, civilian supplies of tuna will be at prewar levels. In the last quarter of 1944 supplies of tuna will be almost as large as those of salmon, even though normally we consume at least four times as much salmon as tuna.

Fats and Oils

The total amount of fats and oils other than butter, available for civilian consumption in the October-December quarter of 1944 is expected to be slightly less than was consumed in the same period a year ago but about the same as has been available in recent months. Present information indicates that the supply in the January-March quarter of 1945 may be slightly smaller than in the October-December quarter of 1944 and, also, slightly less than was consumed in the January-March quarter of 1944, when consumption of all fats and oils, including butter, was above the 44-pound-per-capita level. The major decrease in the January-March quarter will occur in vegetable shortening and cooking and salad oils. If the supply of butter is above expectations, some decrease in margarine also may be expected. The supply of lard will be

ample and little change is noted since it was taken off rationing. Ten percent more oil will be available for margarine this quarter, but the entire allocation for civilian use in the past few months has not been used. Margarine will only substitute for butter up to a certain point, that is up to perhaps one-half of the decrease in butter. There is a point beyond which people will not buy, even though more oil were allocated for civilian supply to be made into margarine.

MR. WILSON: Mr. Ockey, I believe we should have a period for questions following the report on each major crop. Does anyone have any questions about meat now?

MISS BIRDSEYE: Do I understand that the supply of fresh fish will be larger than it has been?

MR. OCKEY: That is correct.

MR. WILSON: Mr. Ockey, should we expect to have regional differences in the distribution of meats this quarter, such as we experienced the last 3 months?

MR. OCKEY: As far as meat is concerned, I believe there will be more difficulty in the problem of distribution than there was in the last quarter.

MR. WILSON: Could we watch out for pockets and try to have something done to alleviate them, as far as distribution is concerned?

MR. OCKEY: Yes, I think we can have this in mind, even if we may not know how to solve all of the problems.

MISS BIRDSEYE: How much of this problem was due to transportation and how much to ceilings?

MR. OCKEY: When supplies are scarce, there is a tendency for more of the product to be sold in the area of production and consequently less gets out into other areas. Transportation costs as well as price ceilings affect the area of distribution.

MRS. RUSSELL: Could we eliminate some of the inequities in distribution by putting a larger proportion of the total meat supply on rationing?

MR. OCKEY: That is probably a matter for discussion and much can be said from different points of view. We have had inequities in distribution before when we had rationing of all meats, so I do not believe this would entirely solve the problem.

Now, coming back to fats and oils, with the exception of butter, the total amount of fats and oils for October through December will be about the same as that for the last quarter of 1943.

Dairy Products

In the last quarter of 1944 civilian supplies of dairy products will be smaller than those in 1943, except for some increase in condensed skim milk,

a substantial increase in nonfat dry milk solids, and a little more fluid cream.

In the January-March quarter of 1945, the civilian supplies will also be a little smaller than in 1944. Butter and canned milk will be about 9 percent and 11 percent lower, respectively. However, nonfat dry milk solids are expected to be in ample supply with almost five times as much available for civilian use as there was last year. Fluid milk supplies will be almost equal to those of a year earlier and fluid cream and whole milk cheese supplies will be slightly greater.

Butter

It appears that there will be about 7 percent less butter available for United States civilians in the next 6 months than in the same period a year ago. In the October-December quarter there will be 2.8 pounds per person compared with 2.9 pounds consumed in October-December last year, and in the January-March quarter of 1945 there will be 2.9 pounds per person compared with 3.2 pounds in that quarter of 1944.

Whole Milk Cheese: Civilians will get slightly less cheese in the next 6 months than they did in the period October 1943 to March 1944. Supplies of American cheese will be at least 10 percent larger, but both production and imports of other whole milk cheese are expected to be considerably smaller, especially in the October-December quarter of 1944. The average portion of whole milk cheese per person will be 1.2 pounds in the October-December quarter this year, compared with 1.3 pounds in the same quarter a year ago, but in the January-March quarter of 1945 the average per person will be about equal to that of a year earlier.

Condensed and Evaporated Whole Milk: Civilians will have in the October-March period an average of 5.9 pounds of evaporated milk per person and 0.9 pound of condensed compared with 6.7 pound and 0.7, respectively, in the corresponding period last year.

Fluid Milk and Cream: It is estimated that the average civilian will have 82 pounds of fluid milk in October-December and 81 pounds in January-March, or about 95 percent of the average consumption of last year. This decrease results from anticipated lower production in fluid market areas and the larger war needs for products manufactured from whole milk.

Cream supplies will be about 4 percent larger with a per capita supply of about 3.6 pounds on a 20 percent fat basis.

Other Dairy Products: There will be slightly smaller quantities of skim milk cheese and of such skim milk products as butterfat, chocolate drink, and skim milk for civilians. Dried whole milk will be about half as large for the October-March period. Malted milk supplies will be reduced by one-third and ice cream supplies may be somewhat lower than a year earlier. Larger quantities of condensed skim milk are indicated and substantially increased supplies of nonfat dry milk solids.

Eggs: Supplies of shell eggs for civilians in the last 3 months of 1944 will be at least as large as they were in 1943. Production of eggs in 1945 is

expected to fall about 9 percent below the 1944 level. Anticipating a reduction in the quantity of eggs to be dried and the possibility of lower military requirements for shell eggs, it is expected that civilians will have more eggs in the first quarter of 1945 than were available in the same months of 1944.

Grain Products

The supply of most grains will be adequate to meet in full, demands for grain products for civilian food, domestic feed and industrial requirements, unrestricted exports, large quantities for relief feeding, and safe year-end stocks.

Wheat: The 1944 wheat crop of 1,115.4 million bushels is the largest crop in history. During the last quarter of 1944 and the first quarter of 1945 it is estimated that 254 million bushels of wheat will be processed into food for civilian use. This is in excess of the 245 million bushel estimated demand but will build up stocks for consumption later in the year. This is the normal procedure during the winter months.

Corn: Latest estimates of this year's corn crop place production at 3,101.3 million bushels, the largest on record except for the crop in 1942. This production will take care of all present known requirements for corn and will permit an increase of about 250 million bushels in the year-end stocks. Supplies of corn for processing into domestic food will be adequate to fill demands except possibly the full demand for corn sweeteners. The supply of corn food products which will be used by civilians during the last quarter of 1944 and the first quarter of 1945 are at the rate of 17.7 and 17.5 pounds per capita, respectively, compared with 16.8 and 16.6 pounds per capita for the corresponding quarters a year earlier. Southern States are experiencing some shortages of corn meal; however that is a milling and price problem. The crop is adequate.

Oats, Rye, and Barley: Oats and rye will be adequate for all needs, but barley will be adequate for all needs except for brewing needs which it cannot meet fully.

Soya Flour and Grits: Supplies of soya flour and grits for human consumption will exceed civilian demand for the product. In terms of retail weight the consumption for the last quarter of 1943 was 0.2 pound per capita and the same for the first quarter of 1944. In the corresponding quarters of 1944-45 the estimated demand will be 0.23 and 0.35 pound per capita respectively. This rate of consumption would require an annual supply of about 200 million pounds of the product. The industry has capacity for 1,400 million pounds.

Rice: The 1944 crop, estimated at 67,950,000 bushels, is lower than the record production in 1943 but larger than any crop prior to 1943. War Food Order 10 as amended requires only a 35 percent set-aside for the 1944-45 crop year as compared with a 45 percent set-aside during the last crop year. This will provide a larger supply of rice for civilians. The allocations for civilian food for the October-December quarter of 1944 is 338.6 million pounds and for the January-March quarter of 1945 is 250 million pounds as compared with actual disappearance of 375.6 and 207 million pounds for the corresponding quarters a

year earlier. Complaints of shortages of rice, as well as of corn meal, have been received from the Southern States; however, with the larger supply for civilian use, there is reason to expect that these shortages will be met.

Dry Beans and Peas

Supplies of dry beans will be about 5 percent larger in the last quarter of 1944, compared with supplies available in the corresponding quarter of 1943. This increase will provide sufficient quantities of dry beans to continue unrationed distribution. Supplies of dry peas in the last quarter of 1944 also will be sufficient to satisfy all civilian demands.

It is expected that fully adequate supplies of beans and peas will be available for civilian distribution in the first quarter of 1945.

Vegetables

Fresh Vegetables: For the fourth quarter of 1944, the outlook for civilian per capita supplies of fresh vegetables is very favorable. Commercial production is expected to equal the record output of the corresponding period in 1943 and military requirements will be somewhat less. Supplies from farm home gardens are expected nearly to equal last year's production, while supplies from nonfarm gardens may be down slightly.

Present indications point to fresh vegetable supplies in the first quarter of 1945 approximately equal to those of a year earlier. Although the tentative production goals for winter vegetables call for a slightly reduced acreage, lower military requirements may offset any reduction in production. Considering the favorable prices prevailing in most areas in 1944, it is probable that actual production will exceed the suggested goals in a number of instances.

Onions

Supplies of onions to be available for civilians during the next 6 months are expected to be sufficient to satisfy demand in full. The indicated crop of late summer onions is 51 percent larger than the near average crop of 1943 and exceeds the previous high production of 1939 by slightly more than 3 million sacks.

During the next few months onions of the sweet Spanish variety from the Western States will be particularly plentiful. Large stocks of storage onions will be reflected in a more abundant supply of dry onions for distribution to civilians during the January-March quarter than in the first quarter of last year. Requirements for dehydration will again be high but this year's production is of sufficient size to take care of all indicated requirements.

Potatoes: Below-average supplies of both white potatoes and sweetpotatoes are in prospect for U. S. civilians this winter. Except for the higher prices that will prevail, the full impact of the reduction in supply may not become generally apparent to consumers until January or February.

White potato production from the 30 late States is currently estimated at 300.4 million bushels, compared with 363.5 million bushels in 1943.

Civilian consumption during the fall quarter probably will be only 5 to 10 percent lower per capita this fall than last, but if the military forces procure all of the potatoes for which they have indicated a need, there is a possibility of a shortage for civilians during the January-March quarter. Present indications are that civilian supplies for the winter months may be from 20 to 25 percent below that of last year.

Sweetpotato production will approximate 68.8 million bushels in 1944 as compared with 72.6 million bushels in 1943. As a result, civilian per capita consumption during the fall quarter of 1944 and the first quarter of 1945 will be somewhat lower than last year, although probably not as much lower as the crop would indicate. The favorable fresh market demand is expected to result in a larger percentage of the crop being marketed in the fall quarter this year than last.

Canned Vegetables: The removal of rationing controls from canned vegetables, except tomatoes, tomato juice, and tomato catsup, is expected to result in a slightly higher civilian consumption of canned vegetables in the fourth quarter of 1944 than for the corresponding quarter of 1943. A larger-than-normal portion of the processed supplies available will consist of standard and sub-standard grades and this may tend to retard point-free purchases. This is particularly true of canned green peas and whole tomatoes. Moreover, consumers bought heavily during the early summer months when most canned vegetables were point-free, and some of these purchases still remain on pantry shelves. Large supplementary supplies also will be available in the form of home canned vegetables. Such supplies of canned tomatoes and green beans will be particularly significant.

Supplies of commercially canned vegetables available during the January-March quarter may be below the quantities sold during the corresponding period last year, unless an early end of hostilities in Europe results in the release of some canned vegetables from stocks now in Government hands.

Frozen Vegetables: Civilian supplies of frozen vegetables for the fall and winter quarters just ahead will be about the same as for last year. The storage ceilings imposed on these items by the recently issued War Food Order will limit the amount of commercial freezer space which frozen fruits and vegetables may occupy to the level that prevailed October 1, 1943.

Fruits

Fresh Citrus Fruits: Civilian supplies of fresh citrus fruit during the fall and winter quarters will equal and perhaps exceed the favorable supplies of last year. Production of both oranges and grapefruit is expected to be sufficient to meet all civilian and noncivilian requirements. Except for Arizona grapefruit, citrus crop conditions surpass those of last year.

Fresh Deciduous Fruits: Apples, pears, and grapes comprise the major deciduous fruits for the fall and winter quarters. Supplies of fresh apples will be materially larger during both quarters this year than last. Pears and fresh grapes will be slightly more plentiful this fall and winter than a year ago. Favorable prices and a generally tight storage situation will tend to encourage early marketing of both the apple and pear crops this year.

Fresh cranberries will be in exceedingly short supply this fall, amounting to only about 60 percent of last year's supply.

The removal of shipping restrictions on bananas is expected to result in larger imports of this fruit. During the next two quarters, preliminary estimates indicate that the civilian supply of bananas may increase as much as 15 percent in the fall quarter and 35 percent in the winter quarter over the corresponding periods last year.

The civilian supply of commercially canned deciduous fruits for the fiscal year 1944-45 may be as much as 20 to 25 percent lower than last year's civilian consumption, the largest reduction being in the major fruit items.

Canned Fruits: Stocks of canned fruit as of July 1, 1944, were at an unprecedented low level for most items. It is believed unlikely that the Government will release sizeable stocks of canned fruit in the immediate future as War Food Order 22.6 has had to be amended only recently to increase the percentage set aside for 7 canned fruit items.

On the more favorable side, the greater availability of fresh fruit this summer and fall has resulted in a substantially larger supply of home canned fruit which mitigates to some extent the tight situation regarding the prospective commercial supply. Moreover, it is expected that the civilian supply of canned citrus juices in the fall and winter quarters this year will be at least equal to that of last year. It is not contemplated that any canned citrus segments will be available for civilians this year unless a supply is released from Government stocks.

Frozen Fruits: Owing to the recent storage inventory limitations imposed under War Food Order 111, it is expected that the frozen fruit supplies available for civilians during the fall quarter will be slightly larger than those for a year ago. It is probable that the supply for the first quarter of 1945 will be slightly lower than that for the corresponding period last year when consumption was heavy.

Dried Fruits: Civilian supplies of dried fruit in 1944-45 again will be limited almost entirely to raisins, prunes, figs, and dates. Unless there are special releases from Government stocks, civilians will receive no dried apples, apricots, peaches, and pears this marketing year.

Raisin and dried prune supplies for civilian use will be slightly more plentiful during the fall quarter this year than last, and during the first quarter of 1945 are expected to approximate those for the corresponding period of 1944. Although the currently indicated civilian supplies of raisins and prunes for the 1944-45 marketing season are less than those of last year, they are being released earlier for domestic distribution with the aim of ending the year with a smaller carry-over.

Cane and Beet Sugar

During the first 8 months of 1944 distribution of sugar to civilians was substantially higher than in the corresponding period in 1943. Including the sugar that has been distributed for use in manufactured food products for noncivilians, approximately 4,396,000 tons of sugar (raw value) had been

delivered into civilian channels from January through August 1944, compared with 3,934,000 tons in the first 8 months of 1943. The immediate "shortage" situation we have been experiencing is not a shortage of raw sugar but reflects the inability of sugar refineries to refine and to distribute sugar at a rate rapid enough to meet the demand for it, which is now at its seasonal peak. More sugar is used in the July-September period than in any other period of the year because the bulk of the home and commercial canning is done during the summer months. With the excellent fruit crop this year the demand for canning sugar increased sharply as the fruit became available. Sugar refineries, like other industries, are faced with labor shortages and because of this were not able to expand their operations to keep pace with the increased demand.

As we enter the last quarter of the year, the current situation should improve. The bulk of the fruit canning (especially commercial operations) will be completed and the demand for sugar for this purpose will decline. In addition, supplies from the 1944 domestic production of both cane and beet sugar will become available for distribution.

During the last quarter of 1944, supplies of sugar available for civilian use will be somewhat below supplies available in the last quarter of 1943. Consumers will feel this reduction in supplies indirectly, since it is the use of sugar in manufactured food products that will be lower this year than last. In 1943 industrial users (ice cream, soft drink, and candy manufacturers) were permitted 80 percent of their 1941 sugar use in October and 90 percent in November and December. Manufacturers of low sugar content bakery items (principally bread and rolls) were permitted 100 percent of their 1941 sugar use in October and 110 percent in November and December.

In the last quarter of 1944 all manufacturers of food products are permitted only 80 percent of their 1941 sugar use for all 3 months. There will be no reduction in the level of the direct household ration, which provides 5 pounds of sugar every $2\frac{1}{2}$ months.

It is expected that civilian supplies of cane and beet sugar in the first quarter of 1945 will be smaller than supplies available in the first quarter of 1944. Despite the reduction in the available supply it does not appear probable that there will be any reduction in the current level of the household ration.

MISS LUCILE REYNOLDS: What about the quality of the citrus fruits?

MR. OCKEY: From all reports the quality is good.

MR. GUNDERSON: How is the allocations of sugar made for bread and rolls?

MR. OCKEY: It does not appear feasible to have a difference in the allocation of sugar for different bakery products, since such a plan would be practically impossible to work out.

MISS GRIFFITH: Why is it that hotels and restaurants can get the best cuts of beef such as steaks, and housewives cannot?

MR. OCKEY: They can pay and have access to their hotel suppliers. There is a differential in prices for beef cut up or fabricated.

MR. WILSON: We are accustomed to using the word "challenge" in Extension Service on anything from a grizzly bear in the middle of the road to any other problem. This may be a challenge to the home economists to fix up the poorer cuts of meat so that they will be nutritionally good. Another point is that this may afford an opportunity to eat up all the Spanish onions if we could learn to use the Utility cuts to go with them.

MISS VAN DEMAN: Is the talk about a coffee shortage only a rumor, or is there some foundation for it?

MR. OCKEY: I understand that the radio this morning reported that coffee will not be rationed and that we have completed negotiations to bring in enough coffee to meet our needs.

MISS BIRDSEYE: Will the Utility cuts of beef still be on the market, or will they disappear entirely, or be in short supply?

MR. OCKEY: They will still be on the market, but the percentage of A and AA grades of beef will be higher than this past quarter.

MISS BIRDSEYE: Will there be a difference in the distribution of this Utility grade beef in different parts of the country?

MR. OCKEY: Utility grades should be well distributed.

MISS BIRDSEYE: When I recently visited Tennessee a campaign had been in progress, starting September 15 to encourage the use of Utility beef. The drought in this area had been forcing the farmers to bring to market unfinished animals for slaughter and consequently the market there was faced with the problem of this Utility grade beef. While this was true in Tennessee, over in Missouri - just 24 hours removed - they did not have any such situation.

MR. WILSON: I see my good friend Ken Warner over there and maybe he can throw some light on this for us.

MR. WARNER: I know that we had a rolled roast of beef yesterday at our house which was of Utility grade. The only difficulty we found with it was that it required slow cooking. I do know, however, that we have had the heaviest slaughter of beef on record so far this year and that feeding margins at present are favorable to increase cattle feeding. Furthermore, the feed supply situation has now improved over the feed prospects a few months back. So it does seem reasonable to expect that we will have available more beef of higher quality a few months ahead.

MISS FLORENCE REYNOLDS: If cattle are coming to market in greater quantity, will the Army continue to get the better cuts or grade of beef?

MR. OCKEY: The requirement of meat for the armed forces is less compared with the total, which should give more to the civilian population. But generally speaking the supply of meat will be less because pork is down.

MISS VAN DEMAN: Would it be possible to earmark part of the meat supply for the northeastern part of the country? It seems that they have had trouble getting meat while other sections had it available.

MR. OCKEY: We tried that on potatoes. We had a War Food Order on potatoes when they are so scarce in the late winter of 1943 which was intended to prohibit shipment into areas that had potatoes, but I don't think it was strictly enforced. Differentials in ceilings and transportation rates have a great effect on the available supply. Rationing has helped, and I believe in it, but it will not correct all the problems. Rationing can only go so far. It cannot alone cure the inequities in distribution.

MR. TOLLE: Will the increase in points for butter give us better distribution of it? Or is it an attempt to force people to use margarine?

MR. OCKEY: The increase in points for butter will make for better distribution. If margarine is to replace shortening only, we can only argue for an increased allotment of oils for margarine manufacture for its use as a spread for bread.

_____ : Is all margarine fortified?

MR. OCKEY: About 98 percent of all margarine is fortified.

MISS BIRDSEYE: Do many States have laws prohibiting the serving of margarine in public eating places? In one State I visited recently the summer hotel served an infinitesimal butter pat at each meal. Public eating places could not legally serve margarine, consequently people did not have either margarine or butter in public eating places. Are there many States like that?

MR. OCKEY: Yes, several States have such laws. Some put a tax of 15 cents a pound on margarine, which together with the Federal tax and distributor's license fee, makes it almost prohibitive to sell margarine in those States. The National Association of Margarine Manufacturers has put out a digest of the State laws affecting margarine and you can get a copy by writing or calling them in the Munsey Building here.

MR. WILSON: In view of the fact that Mr. Burdick is unable to be with us, we will hear from Mr. George Dice, Associate Director, Food Rationing Division, OPA, on "Rationing as Related to the Present Food Situation."

MR. DICE: My first comment on rationing is that OPA does not sit in its ivory tower and issue rationing orders on its own initiative. The request that certain foods be rationed comes first from the War Food Administration. We attempt to ration the quantity of food available for civilian consumption. Often we find that the consumer will not take his allotment of certain commodities. This has been true of margarine. There is a point beyond which the consumer will not buy. The opposite, however, is true of sugar. Sugar has so many uses. About half the sugar that is consumed is for industrial use - baked goods, soft drinks, confections. It is used as a plasticizing agent in the manufacture of plastics, and is used in making industrial alcohol. All these demands tend to complicate the sugar situation. The heavy demand for sugar for home canning is the prime reason for exceeding the quantity of sugar allocated for civilian needs. It is difficult to make the amount on hand come out the way it is allotted. X amount is allotted to consumers; Y to industrial users; and Z to manufacturers; but it is hard to maintain uniformity in issuances by 5,500 unpaid local rationing boards throughout the country, especially when fruit crops are above expectations in various areas. It is a real

problem. Instead of the 700,000 tons we expected to issue for home canning, we will probably have used 1 million tons by the end of the year.

Sometimes we find that sugar bought for home canning is not used solely for this purpose. Some of it goes to make fruit wine and beverages. We try to avoid this and ascertain the offenders, but it is difficult to find them.

If we attempted to achieve perfect distribution of commodities through rationing, the result would be that some products would spoil. This would be true of meat particularly. We try to keep a float in the total point issuance so that we can move perishable products.

In the case of meat, we have the problem of distribution from the interior of the country toward the coast, while in the case of sugar it is from the coast to the interior. Naturally the areas near the center of production are taken care of first. A very tight rationing system tends to force the meat out from the producing area toward the coastal areas and to force sugar inland from the refining centers. In a period of shortage, however, distribution is far from perfect. For example, sugar has not been moving to the interior recently in adequate volume. This has been true in Michigan, Ohio, Illinois, and Wisconsin. Mr. Ockey has said that the sugar situation will ease in a few weeks. Possibly it will ease in 4 or 5 weeks. As the general peak demand subsides, the situation will ease, but it has been tight, although there has been a gradual easing. We expect to see a near-normal situation in December, but we hope it will be sooner.

MISS REYNOLDS: I have heard the criticism that points have been increased on the popular cuts of the better grades of meat to increase the demand for the less desirable grades. I was under the impression that points were raised and lowered according to the supply. Is that true?

MR. DICE: It is hard for some people to believe it, but nevertheless it is true that points are set according to the supply. You will recall that when pork was in heavy supply, we validated spare points to encourage the purchasing of pork. We do not regard it as our job to bring about social or other reforms in eating habits. When allocations are set for a product, we know the outstanding purchasing power in the hands of the public and the total point value of the available supply. On the basis of movement of various products, we ascertain the relative point value of such products. We normally have from 7 to 10 percent more purchasing power outstanding than the available supply as a safeguard against spoilage due to inadequate purchasing power.

MISS BIRDSEYE: Do inequalities in the distribution of meat contribute to the black market?

MR. DICE: It may be a question of which is the cause and which is the effect. The existence of the black market makes for an inequitable distribution of meat. To the extent that a portion of the supply is channeled into the black market, there is less left for purchase against bona-fide ration currency. We might say that poor distribution is the result, rather than a cause of black markets.

MISS BIRDSEYE: Is it true that the black market people can gain access to a source of supply?

MR. DICE: Generally speaking, meat is not diverted to black market channels after it has passed through federally inspected packing houses. Most black market meat originates in small local packing plants, and is variously distributed by meat wholesalers and butchers who are willing to violate price and rationing regulations.

MR. WILSON: We have asked Dr. Howard S. Piquet, Executive Secretary of the United Nations Interim Commission on Food and Agriculture, to tell us about the current status of the work of the commission.

MR. PIQUET: I am not going to tell you much about food; however, by listening to the earlier speakers, I have discovered how to gear my discussion into the current food picture. As I have heard the answers here to such questions as to whether we shall have "utility" cuts or "choice" cuts, I am impressed by the abundance of food in this country. In many parts of the world, especially in countries like China and India, there is no meat at all and very little of any other food. The United Nations Conference on Food and Agriculture, held in May 1943 at Hot Springs, Va., set forth the ideals for a better world insofar as food is concerned. The theme of the 33 resolutions that were adopted unanimously was the "economy of abundance," as opposed to an "economy of scarcity." From one point of view as long as anyone is hungry, there is no surplus. Today we have serious maldistribution. The world does not have enough purchasing power properly distributed.

Realizing the importance of attaining these and other objectives and recommendations of the United Nations Conference, an Interim Commission was established in July 1943, consisting of a representative from each of the 44 United and Associated Nations. This commission was created to draw up plans for a permanent body. It is composed of experts, diplomats, and administrative people. They have wisely called for technical advice from well-known scientists and economists conversant with problems of nutrition and agriculture acting in an advisory capacity. These experts have comprised scientific and economic panels and were chosen for outstanding ability in their respective fields. Among them is Mr. H. R. Tolley, Chief, Bureau of Agricultural Economics, USDA, who acted as Chairman of the Economic Panel. Also on this panel were Professor H. F. Angus of Canada, Dr. Antonin Basch of Czechoslovakia, Professor J. D. Black of Harvard, Mr. R. R. Enfield of the United Kingdom, Professor A. G. B. Fisher of London, Dr. Alexander Loveday and Mr. Ansgar Rosenborg of the League of Nations, and Professor T. W. Schutlz of the University of Chicago. The Scientific Panel consisted of Professor J. A. Scott Watson, Oxford University, who was the chairman; Dr. E. C. Auchter, Administrator of Agricultural Research, USDA; Dr. G. S. H. Barton of Canada, Dr. F. G. Boudreau of the National Research Council, Dr. R. E. Buchanan, Iowa State College, Dr. Andre Mayer of France, Professor L. A. Maynard of Cornell University, Dr. Paris E. Menendez of Paraguay, Dr. T. H. Shen of China, Dr. R. D. Sinclair of Canada, and Mr. M. T. Wilson of the USDA.

These panels worked steadily for several months and made a report to the Interim Commission, which report, with certain modifications, was sent to the United Nations informally last January. We think sometimes that the Federal Government moves slowly, but in reality it operates like an express train in comparison with international bodies. Nations will not delegate full power even to their plenipotentiaries, so it was necessary for each government to study the report and make recommendations for a final report. This required

6 months and on August 3, 1944, the Interim Commission transmitted its first formal report to the 44 governments included in its representation. (This happened to be the same day that Paris was liberated and the report appeared on page 22 of the New York Times. The Christian Science Monitor, however, gave it two columns on the front page.) As you know, a Food and Agriculture Organization was recommended for the United Nations, the main task of which will be to help the nations to learn how to feed themselves better.

Most of the world's food is produced relatively close to the centers of consumption. The Food and Agricultural Organization does not plan to feed the world. It will not be a relief organization and it should not be confused with UNRRA. The object of the FAO is to link together food and agriculture. The League of Nations linked together health and agriculture and the Hot Springs Conference in a sense was a follow-up of those proposals.

We have been hearing a lot about international conferences on aviation, health, petroleum - and there will be others. There will in fact be a fairly large number of functional organizations, in addition to the over-all organizations now being discussed at Dumbarton Oaks. They will be tailored to meet specific tasks but it is essential that they be tied together. The FAO, according to its proposed constitution, is to become a part of the general world organization that eventually emerges.

The Food and Agriculture Organization of the United Nations, we hope, will be the first permanent international organization doing in peace time the sort of job that the United Nations have been doing so successfully in war. Its functions will be to stimulate research in food and agriculture; to disseminate knowledge; to act as a clearing house for personnel available to nations for expert technical assistance; to send missions to various countries to assist them in fulfilling the obligations they assumed when they accepted the recommendations of the United Nations Conference on Food and Agriculture, and to act generally as a clearing house of specialized skills and information. It will arrange conferences of the FAO, including both regional and technical meetings.

The main body will be a general conference of the nations which will meet at least once a year, with each member nation having one vote. As soon as 20 countries have approved the constitution of the FAO, the Interim Commission will arrange for the first conference. It is hoped that this will be held in January or February of next year. So far five countries have accepted the report: Haiti, Guatemala, the Philippines, Nicaragua, and Belgium.

It is hoped that the United States will act on the proposal soon. The headquarters of the FAO will be determined as its meeting next year. The director-general has not yet been chosen. The Interim Commission itself will pass out of existence when the gavel falls convening the first meeting of the FAO.

The budget recommended for the first year is $2\frac{1}{2}$ million dollars. For the first 5 years it is expected that the budget will average about 5 million per annum. Of this, 25 percent will be contributed by the United States. The nations are to be assessed roughly according to their ability to pay. The total contributions to the Interim Commission have been less than \$175,000 and the amounts paid are to be credited against the first year's contributions to the FAO.

In the meantime, the United Nations Interim Commission is busy doing many things in anticipation of the work of the FAO. Outstanding scientists, economics, and other experts from different parts of the world are assisting the Interim Commission in the preparation of plans. They show the ways in which the FAO can assist member nations in carrying out the resolutions of the Hot Springs Conference. A number of committees of experts have been set up, including a Committee on Food Management and Nutrition; a Committee on Agricultural Production; a Committee on Forestry and Forest Products; a Committee on Fisheries; and one on Statistics. A Reviewing Panel will take the reports of the various committees and weld them together. Plans are also under way for the administrative structure of the permanent body and work is going forward on an agenda for the inaugural conference of the FAO, which will be sent to the nations well in advance of the meeting. The success of the Interim-Commission, from this point forward, will be measured by the rapidity with which it terminates its own existence.

MR. WILSON: Thank you Dr. Piquet.

We understand that Mr. Cairns of the United Nations Relief and Rehabilitation Administration has not returned to the city so we are going to hear from Dr. H. D. Brown, Assistant Director of the Food Division.

DR. BROWN: I hesitate to come before you because you are expecting Mr. Cairns. Then, in addition to this, I have been with UNRRA only a short time and am not fully acquainted with all that you would like to know about it. However, I may be able to pass on to you the action that is taken regarding food.

As the countries are liberated, they go first under the military which takes over the problem of providing food for civilians as well as for the armed services. The Army holds the supply problems for the first 6 months. Then the UNRRA follows and takes over.

The military may ask UNRRA to take over at any time, however, and in some countries that may be earlier than 6 months. For purposes of UNRRA, countries are divided into: (a) those that have finances and can go into the markets to procure their own supplies on the advice of UNRRA; and (b) those that cannot finance their needs. Paying countries are Belgium, France, the Netherlands, and maybe Norway. Nonpaying countries are: Poland, Czechoslovakia, Yugoslavia, Greece, and Albania. Denmark is in between. Under the UNRRA agreement, countries that have not been invaded should contribute 1 percent of their national income. Ninety percent of this amount is used for purchasing supplies in the country itself; and 10 percent of the money is free to purchase supplies outside the country. The clothing problem has come onto UNRRA so fast and the situation is so desperate that adequate supplies were not available. This explains the present drive for the collection of clothing, being stressed particularly by the Catholic and Jewish churches. We may have to put out other appeals, such as for recreational equipment, but a money contribution from individuals is not anticipated.

UNRRA is interested in nutrition just as is the group gathered here. The Leith-Ross report of June 1943 was the basis for our determination of the standards set up. In February 1944, a standard of 2,650 calories per person per day for all countries was arrived at. This does not mean they will all

get that much. Supplies and shipping will be limitations. UNRRA will vary the food according to national food habits. The goal for each country is: Meat 30 kilos per head per year; milk 76; cheese 4; eggs 3; fresh fish 8; dried fish 2; and sugar 25 kilos per person. These figures were arrived at by our nutritionists. They are the ideal. Those countries that are heavy meat eaters will get meat and the same will be true of rice, fish, etc., according to the eating habits of the countries. For instance Yugoslavia is reckoned with 106 kilos of milk and the meat requirements is reduced to 13 kilos.

Nonstandard commodities will not be supplied to a country unless that country asks for them in writing. Foods will tend to be bulk foods put into the most economical form. There will be dried foods, instead of fresh, as the dried foods are easier to ship, pack, etc. The same thing is true of milk. Dried skim milk will be used, as well as dried eggs.

UNRRA is not expected to take care of the surpluses in the country. We receive many calls saying that such and such a company has an excessive supply of a particular commodity and wanting to know if we can use it. We are not "an excess product" distribution agency and cannot perform that function.

In general, flour will be shipped as grain -- that is, wheat instead of flour, since most of the countries have milling facilities; however, some flour will be shipped, especially to the camps, and all that is actually shipped as flour will be enriched. We have agreed to a minimum extraction as high as 85 percent of flour from grain. Greece uses a 95 percent extraction of flour which makes pretty black bread. We had a Greek bakery in Washington make up 3 types of bread for us: (1) Bread made of 95 percent extraction; (2) bread to which soya flour had been added in the amount of 5 percent; and (3) bread to which 10 percent soya flour was added. The 3 typed of bread were tried. That containing 10 percent soya flour, made of 95 percent extraction, proved to be the best-tasting. This type of flour is being shipped to Greece in experimental quantities and the nutritionist think it possible to combine wheat and soya flour successfully. We are awaiting the results.

Wheat should be the chief grain shipped. There may be some corn, but not much. If rice is used at all, it will be used in limited quantity.

The milk supply is reported to be chiefly in dried skim form. There is very little evaporated milk for shipping. Butter is short in supply and it looks as if we would have to use margarine. Any margarine we send will be fortified. There is a supply of cod liver oil equal to 40 percent of Europe's needs. We'll also have vitamins. Meat will be short in supply. Eggs will be high-priced. We would be happy to use whole eggs, but we'll get only dried eggs. If we get eggs at all, they will be used for children and pregnant mothers.

UNRRA has responsibility for a number of relief and rehabilitation camps established by the British a few years ago. One of these is located in Algiers and another in Morocco. We expect to take over the one at Philippeville on January 1, 1945. It is expected that there will be about 40,000 people at this camp. We are much more lenient in supplying these camps than we can be with the countries themselves.

Now I should like to give some attention to the methods used in handling our problems. Relief is based on the appeals from various countries. Reports

are sent to the various embassies. They bring us reports of what they need and what they can supply. Countries may have exaggerated ideas of their needs. We screen the reports, tabulate them, and then look at them on the basis of population, distribution, and probable needs of that particular country. Then UNRRA looks over the food program and determines what needs may be met.

UNRRA will not be the procurement agent, but in the United States orders are sent to the Foreign Economic Administration and purchases are made through FEA. The Mutual Aid Board situated in Ottawa, acts in the same capacity in Canada. The Ministry of Supply is the parallel agency in the United Kingdom. It depends upon the country as to where the purchases are made. There are various missions to facilitate purchases; for example, there is one in Brazil; another is leaving soon for Central America. These missions look into the needs and the possibilities of supply. The Polish Government in Exile is meeting today and tomorrow to discuss their problems and we are meeting representatives of Czechoslovakia, the Netherlands, Belgium, and the other European countries.

MR. WILSON: Thank you, Dr. Brown for a very excellent report.

MR. GUNDERSON: Did I understand you to say that all flour shipped will be enriched?

DR. BROWN: Actually we expect that all flour shipped will be enriched. We plan not to send flour but wheat to be milled by the countries themselves, but we will ship flour to the camps since they have no milling facilities. The tendency will be to ship grains which are more basic.

_____ : Who are the people living in these camps? Who is eligible for inclusion?

DR. BROWN: These camps are for refugees. It is dubious as to how large the camps will be. Plans are being made for accomodating 40,000 at Philippeville camp. If we do not have as many as 40,000 people in this camp, it would be an excellent center from which to distribute supplies to other European countries that will need them.

MR. WILSON: I wish to thank all of you for a very interesting meeting and a good presentation of the food situation we are now faced with.

